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October 1, 2007

Via Efiling

Hon. Susan Illston United States District Court Northern District of California 450 Golden Gate Avenue San Francisco, CA

Re:

Daniel Grumley v. The Higher Gear Group, Inc.

Docket No. 07-02849 SI

Dear Judge Illston:

Pursuant to the Court's Civil Pretrial Minutes dated September 26, 2007, the undersigned writes to report the parties' progress with regard to the selection of a mediator and a mediation date. The parties have agreed to Jerry Spolter of JAMS as mediator, and have tentatively agreed to conduct the mediation on November 13.

Setting a firm mediation date has been hampered by the travel schedule of defense counsel, and the trial schedule of plaintiff's counsel. Eric Kastner of our office (who will conduct the mediation on Mr. Grumley's behalf) has been, and still is, in trial since early September in San Mateo County Superior Court. The parties are working to conduct preliminary discovery before the mediation including depositions. This may possibly require setting the mediation a few days later. If the mediation for some reason does not take place on November 13 the parties will so inform the Court.

Respectfully submitted,

KASTNER | BANCHERO LLP

Luis V. García

LVG:pty

cc: Laura Stevens, Esq.